

**CITY OF GOODYEAR
CITY COUNCIL ACTION FORM**

SUBJECT: Council will consider for possible action, amending Employee Compensation, and Attendance and Leave policies.

STAFF PRESENTER: Jeanni Ruddy

RECOMMENDATION

1. Council approve Ordinance 04-899 of the Mayor and Council of the City of Goodyear, Maricopa County, Arizona, amending "Policy #200 Employee Compensation", and "Policy #600 Attendance and Leave" of the "City of Goodyear Policy and Administrative Guidelines Manual of 02/01/2004.
2. Council approve Resolution 04-924 declaring as a public record certain documents filed with the City Clerk and entitled "Policy #200 Employee Compensation", and "Policy #600 Attendance and Leave."

DISCUSSION

The proposed Employee Compensation and Attendance and Leave policies include the Council recommendations discussed in April 19 and May 3, 2004 work sessions. In addition, a change was made to the Sick Leave Payout section of the policy to maintain consistency for all employees. A floating holiday was added for Council consideration based on inquiry and verification that there has not been a bill introducing Ceasar Chavez day and there is no indication that the Governor is going to ask for it. Changes are as follows:

1. Accrued vacation days will change to: Years 1-2 – 10 days/yr, Years 3-4 – 12 days/yr, Years 5-9 – 15 days/yr, 10-14 – 18 days/yr, and Years 15+ – 20 days/yr. (See table below for accrual rate per pay period.) If an employee's current accrual rate is higher than indicated in the schedule below based on years of service, they will remain at their current accrual rate until such time as their years of service reaches an accrual rate above their current rate.

Job Classification	Years of Service	Vacation Hours Earned per Pay Period Standard work week employees	Maximum accrual of hours	Vacation Hours Earned per Pay Period 56 hour work week employees	Maximum accrual of hours
Full-time Regular and Trial Employees	15 or more years	6.16	240	8.62	336
	10-14 years	5.54	240	7.76	336
	5-9 years	4.62	240	6.47	336
	3-4 Years	3.70	160	5.18	224
	0-2 Years	3.08	120	4.31	168

2. Firefighters, Fire Engineers, and Fire Captains will be paid an additional \$5,213 per year for Paramedic Pay which is added to the employee's base rate of pay.
3. Firefighters, Fire Engineers, and Fire Captains will be paid an additional \$2,370 per year for Hazardous Materials Team Skill Pay which is added to the employee's base rate of pay.
4. Sick leave payout upon termination has been changed from eligibility after five years of continuous service for Arizona State Retirement System employees to eligibility after tens years of continuous, full-time service with the City. (Change only affects employees hired on or after July 1, 2004.) Public Safety Personnel Retirement System employees currently require tens year of continuous, full-time service to receive sick leave payout. Maximum amount of sick leave payout will remain at 60 days if accrued upon termination.
5. One (1) floating holiday is available to all regular status employees each calendar year. Floating holidays must be scheduled with, and approved, by your supervisor at least three (3) days in advance of the requested date. Floating holidays may not be carried forward to be used in the following year.

The revised policies are attached to the Ordinance.

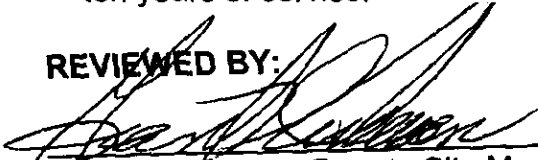
FISCAL IMPACT


The cost to increase Paramedic Base Pay for 18 fire personnel is \$23,634 (overtime not included).

The Fire and Police departments will have additional overtime as a result of added vacation days. The total cost for both departments is approximately \$25,000. These departments will also be affected monetarily by the addition of a floating holiday.

Changing the sick leave payout eligibility from five years to tens years of service has a potential savings if employees who have substantial sick leave balances leave before ten years of service.

REVIEWED BY:


Grant Anderson – Deputy City Manager


Jim Oeser – City Attorney


Larry Price – Finance Director


Stephen Cleveland – City Manager


Kay Wilkinson – Human Resources Director

PREPARED BY:


Jeanni Ruddy - HR Program Manager

ORDINANCE 04-899

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF GOODYEAR, MARICOPA COUNTY, ARIZONA, AMENDING POLICY #200 EMPLOYEE COMPENSATION AND POLICY #600 ATTENDANCE AND LEAVE AS AN AMENDMENT TO THE "CITY OF GOODYEAR POLICY AND ADMINISTRATIVE GUIDELINES MANUAL OF 02/01/2004."

WHEREAS, the Mayor and Council of the City of Goodyear, Maricopa County, Arizona are authorized to provide for the manner in which personnel policies, rules, regulations and procedures applicable to City of Goodyear employees are to be adopted; and

WHEREAS, the Mayor and Council desire to adopt that certain public record, as declared by Resolution 04-924, on file with the City of Goodyear City Clerk entitled "Policy #200 Employee Compensation" and "Policy #600 Attendance and Leave" and the contents thereof as revised policies of the "City of Goodyear Policy and Administrative Guidelines Manual of 02/01/2004."

NOW, THEREFORE BE IT ORDAINED by the Mayor and Council of the City of Goodyear, Maricopa County, Arizona, as follows:

SECTION I: STATEMENT OF AUTHORITY

Section 3-3-3 of chapter 3 of the Goodyear City Code authorizes the Mayor and City Council to adopt by ordinance written policies, rules, regulations and procedures to give effect to the Article.

SECTION II: "POLICY #200 EMPLOYEE COMPENSATION" AND "POLICY #600 ATTENDANCE AND LEAVE" AS AN AMENDMENT TO THE "CITY OF GOODYEAR POLICY AND ADMINISTRATIVE GUIDELINES MANUAL"

The "Policy #200 Employee Compensation" and "Policy #600 Attendance and Leave", three copies of each which are on file with the City of Goodyear City Clerk, and declared to be a "public record" by the Mayor and Council of the City of Goodyear by their Resolution 04-924, is herewith adopted by reference thereto as though fully and completely set forth herein, together with all contents thereof, as revised policies of the "City of Goodyear Policy and Administrative Guidelines Manual of 02/01/2004" and the prior policies are deleted.

SECTION III: PROVIDING FOR SEPARABILITY

If any section, subsection, sentence, clause, phrase or portion of this Ordinance or any part of the Policies adopted herein by reference is for any reason held to be invalid or unconstitutional by the decisions of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

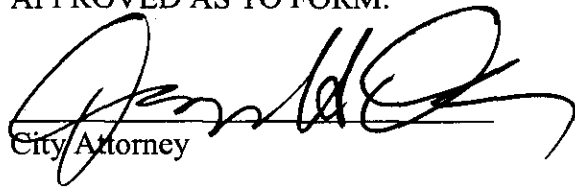
PASSED AND ADOPTED by the Mayor and Council of the City of Goodyear, this 23rd day of May, 2004.

James M. Cavanaugh, Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:



City Attorney

RESOLUTION 04-924

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF GOODYEAR, MARICOPA COUNTY, ARIZONA, DECLARING AS A PUBLIC RECORD THAT CERTAIN DOCUMENTS FILED WITH THE CITY CLERK AND ENTITLED "POLICY #200 EMPLOYEE COMPENSATION", AND "POLICY #600 ATTENDANCE AND LEAVE."

BE IT RESOLVED BY THE MAYOR AND COUNCIL of the City of Goodyear, Maricopa County, as follows:

That certain documents entitled, "Policy #200 Employee Compensation", and "Policy #600 Attendance and Leave" three copies of each which are on file in the office of the City Clerk, are hereby declared to be a public record that said copies are ordered to remain on file with the City Clerk.

WHEREAS, it is necessary for the preservation of the peace, health and safety of the City of Goodyear, Arizona, an emergency is declared to exist and this resolution shall be effective immediately upon its passage and adoption.

PASSED AND ADOPTED by the Mayor and Council of the City of Goodyear, Maricopa County, Arizona this 23rd day of May, 2004.

James M. Cavanaugh, Mayor

ATTEST:

City Clerk

APPROVED AS THE FORM:

City Attorney

POLICY STATEMENT

Subject: Employee Compensation

Origination date: 04/01/01

Revision date: 07/01/04

Policy number: 200

Purpose

The purpose of the compensation plan is to attract, retain, and motivate employees through financial compensation commensurate with the employee's ability, responsibility, and contribution toward the City's goals. This plan is designed to recognize and reward outstanding performance, achieve internal equity, and be externally competitive with market compensation.

Policy

A. Maintenance and Administration of the Compensation Plan

The Human Resource Director, or designee, shall be responsible for maintenance and administration of the Compensation Plan. This includes recommending to the City Manager any amendments or market changes to the Plan. The Compensation Plan shall establish salary ranges, including a minimum and maximum pay rate and pay steps for an employee to progress through their range. The City will conduct salary surveys and propose recommendations to the City Council for market-based adjustments as needed to maintain a market competitive position. The City will establish pay periods and pay dates.

The City will strive to provide a total compensation package that is affordable, yet allows the City the opportunity to attract qualified applicants and retain excellent performing employees. Total compensation includes base pay, certification pay, indirect pay (comprehensive benefits), career opportunities, and a positive culture in which to work.

B. Adjustments to Salary

The overall amount allocated for all increases will be determined based on the City's fiscal constraints and designated competitive position. No individual's salary should be increased beyond the maximum of their salary range.

1. Completion of Trial Period (See Guideline 340 for details.)
2. Annual Merit Review

Merit increases for employees may be in single or multiple step increments, or be withheld or postponed, depending on job performance and budgeted funds.

a. Salary Increase

If the Performance Appraisal Form for annual merit review reflects an overall rating of "successful" or above an increase may be recommended based on the rating and budgeted funds.

b. Salary Increase Withheld or Postponed

If the Performance Appraisal Form for annual merit review reflects an overall rating of "Does Not Meet Expectations" then an employee may be provided a period of time not to exceed ninety (90) calendar days to bring the performance up to a satisfactory level. At the conclusion of this time period, a recommendation shall be forwarded to the City Manager or designee, indicating that the employee should receive no more than a one (1) step increase; or continued employment with no increase; or that action should be taken to demote, reassign, or terminate the employee for performance problems.

3. Promotion

When an employee is promoted to a position at a higher salary range, the employee will be moved to the new range at the same pay or pay closest to, but higher than their current salary, and receive a two step increase or the entry of the new range, whichever is greater.

4. Reclassification

When an employee's position is reclassified to a higher salary range, the employee will receive either the starting salary of the new range, or the same pay or pay closest to, but higher than their current salary on the new salary range, whichever is greater. The employee may receive a one step pay increase to the next highest step on the new pay grade if recommended by the Department Director and approved by the City Manager or designee.

When an employee's position is reclassified to a lower salary range, the employee's salary will not be decreased unless their salary is higher than the maximum step of the new range. If the employee's salary is above the maximum of the new range, the Department Director may recommend, and if the City Manager or designee approves, the employee's salary will remain the same and will be frozen until the salary in the new range reaches the employee's salary level, based on market adjustments.

When an employee's position is reclassified to a position in the same pay range, no adjustment in salary will be made.

5. **Transfer at Same Salary Range**

When an employee is transferred from one position to another having the same salary range, the employee's pay shall remain the same.

6. **Demotion for Non-Disciplinary or Disciplinary Reasons (See guideline 320 for demotion procedures)**

7. **Temporary Re-assignment to Higher Classification (See guideline 320 for "acting assignments" procedure)**

8. **Market Adjustment**

When the salary structure is updated, all regular employees who are below the proposed minimum of their salary ranges will be brought up to the new minimum. If financially possible, all employees within the structure will be moved the same percentage as the structure, and remain at their respective step to prevent compression.

C. Rates of Pay

1. **Starting Salary**

Normally an employee will be appointed or reinstated at the minimum of the salary range for the job classification.

2. **Overtime Compensation**

Pursuant to the Fair Labor Standards Act (FLSA), the City will pay overtime to non-exempt employees who work in excess of forty (40) hours in their designated workweek. Exception: The Fire Department certified non-exempt personnel will receive overtime for hours worked above 106 hours in a 14-day period.

- a. Employees eligible for overtime shall be compensated at a rate of one and one-half times their regular rate of pay.
- b. For purposes of calculating overtime pay, vacation, sick leave, holiday and other leave shall not be considered time worked and shall be deducted from "hours worked" in the workweek.

- c. Positions which are exempt under FLSA will not receive overtime, but may be given time off for extensive "after hours" work on special projects or under extenuating circumstances as approved by the Department Director.

3. Compensatory Time

Pursuant to the FLSA, the City will provide compensatory time in lieu of overtime pay, at a rate of one and one-half hours for each hour of overtime worked, provided the employee and the immediate supervisor agree to the compensatory time accrual prior to the performance of the work.

4. Bilingual Pay (Spanish Language)

Bilingual pay for eligible employees will be paid seventy-five cents (\$0.75) or thirty-five cents (\$0.35) per hour depending on the skill level needed for the department and is added to the employee's base rate of pay.

5. Holiday Compensation (See guideline 620)

6. Red Line Rates of Pay

Based upon classification studies, reclassification of a position or a voluntary demotion, the City Manager may authorize "red line" rates of pay. A "red line" salary is in excess of the maximum rate of pay assigned to the position classification. No salary adjustments, including market and merit increases, shall be effective for an employee with a "red lined" salary.

7. Call Out Pay

Call out pay is intended to compensate non-exempt employees for actually working during a time an employee is not scheduled to work, i.e. in response to an emergency, court duty, etc.

An employee who is called out shall be paid a minimum of three (3) hours pay, which includes 30 minutes travel time to/from work, at an hourly rate that complies with the FLSA.

8. Stand-by Pay

Stand-by pay will be paid at a rate of \$3.00 per hour for every hour of stand-by time served.

Stand-by duty is a specific period of time during non-scheduled work hours in which an employee remains available to respond to an emergency.

9. Longevity Pay Program

Regular full-time employees who have completed their fifth year of service (by December 1st, shall be eligible for longevity pay.

Longevity will be paid on the first payroll beginning after December 1st of each year, and according to the following chart:

Completed Years of Service (Completed by Dec. 1)	Dollar Amount
5	\$100.00
6	\$200.00
7	\$300.00
8	\$400.00
9	\$500.00
10	\$600.00
11	\$700.00
12	\$800.00
13	\$900.00
14+	\$1,000.00

An employee MUST be actively employed at the time longevity checks are issued to be eligible.

10. Fire 40-hour Day Shift Assignment

Firefighters, Fire Engineers, and Fire Captains will be paid an additional 7% of the 56-hour shift base pay while working a 40-hour day shift assignment.

11. Paramedic Pay

Firefighters, Fire Engineers, and Fire Captains will be paid an additional \$5,213 per year for Paramedic Pay which is added to the employee's base rate of pay.

12. Assignment Pay in the Police Department

Special Assignment Pay for Police Officers will be paid at 5% of Step 8 of the Police Officer salary range (1-16 steps) and is added to the employee's base rate of pay.

Field Training Officer Pay (FTO) will be paid at 5% of Step 8 of the Police Officer salary range (1-16 steps) and is paid on a daily basis as training is performed.

Telecommunication Trainer Pay (TT) will be paid at 5% of Step 10 of the Telecommunication Operator salary range (1-20 steps) and is paid on a daily basis as training is performed.

13. Uniform Allowance

Sworn Police and Fire employees will be paid a uniform allowance of \$506 four times a year. Telecommunications Operators and Reserve Police Officers will be paid a uniform allowance of \$253 four times a year.

14. Hazardous Materials Team Skill Pay

Firefighters, Fire Engineers, and Fire Captains will be paid an additional \$2,370 per year for Hazardous Materials Team Skill Pay which is added to the employee's base rate of pay.

POLICY STATEMENT

Subject: Attendance and Leave

Origination date: 04/01/01

Revision date: 07/01/04

Policy number: 600

Purpose

The purpose of this policy is to establish standard hours of work, holidays, vacation leave, and sick leave. In addition, this policy will establish the conditions under which City employees may be granted time off from work.

Policy

A. Hours of Work/Attendance

Department Directors are responsible for establishing a schedule of regular working hours for their respective departments to ensure optimum service delivery to the Citizens of Goodyear. Employees are responsible for being at their work site during their scheduled work hours.

B. Holidays

The following days shall be considered holidays for City employees:

New Year's Day
Martin Luther King Day
President's Day
Memorial Day
Independence Day
Labor Day
Veteran's Day
Thanksgiving Day
Friday after Thanksgiving Day
Christmas Day
Floating Holiday*

*One (1) floating holiday is available to all regular status employees each calendar year. Floating holidays must be scheduled with, and approved, by your supervisor at least three (3) days in advance of the requested date. Floating holidays may not be carried forward to be used in the following year.

C. Vacation Leave

Vacation is provided to employees to ensure the mental and physical health and well being of both the employee and the organization.

For employees entitled to vacation leave, accruals begin on the first day of employment. No employee shall take vacation leave in excess of the amount accrued. Full-time employees accrue vacation leave on the following basis:

Job Classification	Years of Service	Vacation Hours Earned per Pay Period Standard work week employees	Maximum accrual of hours	Vacation Hours Earned per Pay Period 56 hour work week employees	Maximum accrual of hours
Full-time Regular and Trial Employees	15 or more years	6.16	240	8.62	336
	10-14 years	5.54	240	7.76	336
	5-9 years	4.62	240	6.47	336
	3-4 Years	3.70	160	5.18	224
	0-2 Years	3.08	120	4.31	168

Effective July 1, 2004, if an employee's current accrual rate is higher than indicated in the schedule above based on years of service, they will remain at their current accrual rate until such time as their years of service reaches an accrual rate above their current rate.

1. Vacation Accrual for Part-Time, Temporary & Seasonal Employees

Regular part-time employees shall receive a prorated accrual of vacation leave benefits based upon their normal work schedule. Seasonal and temporary employees shall not accrue vacation leave.

2. Maximum Accrual

Hours over the maximum accrual will be lost at the end of each calendar year, unless the City Manager provides written authorization for an employee to exceed their maximum accrual.

3. **Change of Employee Status**

When an employee is promoted, demoted or transferred, they shall not lose accrued vacation leave. However, depending on the employee's job classification, the rate at which they accrue vacation leave may change.

4. **Disciplinary Action**

Forfeiture of accrued vacation leave as a disciplinary action shall not be authorized.

D. Sick Leave

Sick leave is provided for regular and trial employees unable to report to work because of personal illness (to prevent infection of co-workers), or whose immediate family member becomes ill and he employee must care for the family member. Upon approval from the Department Director or designee, sick leave may be used to extend funeral leave (guideline #690). It is not to be used for purposes other than those contained herein. The City will monitor sick leave use, and when deemed appropriate, an employee may be counseled or referred to a physician or to a wellness treatment program.

Sick time accruals begin on the employees first day of employment. Full-time employees accrue sick leave on the following basis:

	Accrual per Pay Period	Maximum
Full-time Regular and Trial Employees	3.70 hours	720
56-hour Work Week Employees	5.18 hours	1008

1. **Sick Leave Payout upon Termination**

An employee vested in the Arizona State Retirement System with a minimum of five (5) years of continuous service with the City and hired prior to July 1, 2004, shall be compensated for 60 days accrued sick leave (if accrued) upon termination. Employees hired on or after July 1, 2004 with a minimum of ten (10) years of continuous service with the City shall be compensated for 60 days accrued sick leave (if accrued) upon termination.

An employee vested in the Arizona Public Safety Personnel Retirement System with a minimum of ten (10) years of continuous service with the City shall be compensated for 60 days accrued sick leave (if accrued) upon termination.

2. Discipline

Forfeiture of accrued sick leave as a disciplinary action shall not be authorized.

3. Advanced Sick Leave

The City Manager may grant no more than ten days of advanced sick leave to an employee. The advanced sick leave will be repaid by the employee through the normal leave accrual process or through transfer of sick leave accrual.

4. Promotions/Demotion/Transfers

When an employee is promoted, demoted or transferred, the employee will not lose accrued sick leave.

5. Transfer of Sick Leave

When an employee has used all forms of accrued leave and is unable to return to work because of personal illness or injury, they may request sick leave from other employees.

E. Family and Medical Leave

The Family and Medical Leave (FMLA) Act of 1993 intends to balance the demands of the workplace with the needs of families, to promote the stability and economic security of families, and to promote national interests in preserving family integrity. To accomplish these purposes, the City will establish a process with respect to leave necessary for the medical care of employees and their families.

F. Other Paid Leave Categories

The City shall provide a mechanism for the following types of additional leave to be available to employees.

1. Military Leave
2. Funeral or Bereavement Leave
3. Jury Duty Leave
4. Election Leave
5. Injury Leave
6. Administrative Leave

G. Personal Leave Without Pay

The City provides an opportunity for leave without pay for employees to deal with personal situations occurring for more than 10 days, but not exceeding 90 days.

H. Workplace/Telecommuting

1. The Department Director may authorize employees to work at a centralized City location, or at other sites to possibly include telecommuting.